

## 21. OUTLAYS TO THE PUBLIC, NET AND GROSS

Table 21-1 shows net and gross outlays, and the relationship between them, for all major agencies. Outlays are the measure of Government spending. The budget records outlays when the Government makes payment for such things as Federal employee salaries, the purchase of supplies and equipment, grants to state and local government, and benefits to individuals. The Government's gross outlays are the sum of all these payments.

The outlay totals in the budget, however, whether for the Government as a whole or for agencies, programs, and functions (such as national defense), are net outlays, unless otherwise specified. Gross outlays, as the table shows, equal the net outlays plus offsetting receipts and collections from the public. Offsetting receipts and collections constitute the income the Government receives from its business-like enterprises and other market activities with the public, such as the proceeds from selling postage stamps, the fees charged for admittance to recreational areas, and the proceeds from selling land or natural resources. The budget refers to them as "offsetting," because they are subtracted from gross outlays rather than added to taxes and other collections from the public resulting from the exercise of the Government's sovereign or governmental powers to levy or impose taxes, fees, fines, and the like. The

table shows that offsetting receipts and collections are relatively much more important for some agencies than for others.

The budget focuses on net outlay totals in order to show outlays and receipts that measure governmental activity rather than a combination of governmental and market activity. As a result, the budget totals represent the amount of resources allocated and distributed by political decision making rather than by private choice and the market mechanism. The surplus or deficit is calculated by subtracting total outlays from total receipts. It would be exactly the same if offsetting collections and receipts were to be included in total receipts and not subtracted from gross outlays.

In this table, negative net outlays occur when collections exceed payments. The amounts for "Allowances" cover certain transactions that are expected to increase or decrease outlays but are not, for various reasons, attributed to any specific agency. The amounts labeled "undistributed offsetting receipts" are deducted from the Government-wide outlay totals but not from any specific agency. Offsetting collections and receipts are discussed in more detail in chapter 18 of this volume, "User Charges and Other Collections," and chapter 26, "The Budget System and Concepts."

**Table 21-1. TOTAL OUTLAYS, NET AND GROSS OF OFFSETTING COLLECTIONS AND RECEIPTS FROM THE PUBLIC, BY AGENCY, 2004-2006**

(In millions of dollars)

| Department or Other Unit                          | 2004        |   |   | 2005        |   |   | 2006        |   |   |
|---|-------------|---|---|-------------|---|---|-------------|---|---|
|   | Net Outlays | Offsetting Collections and Receipts from the Public | Outlays Gross of Collections and Receipts from the Public | Net Outlays | Offsetting Collections and Receipts from the Public | Outlays Gross of Collections and Receipts from the Public | Net Outlays | Offsetting Collections and Receipts from the Public | Outlays Gross of Collections and Receipts from the Public |
| Legislative Branch .....                          | 3,885       | 74  | 3,959   | 4,083       | 64  | 4,147   | 4,356       | 66  | 4,422   |
| Judicial Branch .....                             | 5,392       | 38  | 5,430   | 5,741       | 44  | 5,785   | 6,145       | 48  | 6,193   |
| Executive Branch                                  |             |   |   |             |   |   |             |   |   |
| Department of Agriculture .....                   | 71,769      | 19,474  | 91,243  | 94,912      | 23,753  | 118,665   | 94,590      | 22,103  | 116,693   |
| Department of Commerce .....                      | 5,850       | 2,177   | 8,027   | 6,278       | 1,781   | 8,059   | 6,500       | 1,912   | 8,412   |
| Department of Defense—Military .....              | 437,116     | 11,492  | 448,608   | 444,068     | 11,511  | 455,579   | 426,315     | 11,643  | 437,958   |
| Department of Education .....                     | 62,816      | 961   | 63,777  | 70,953      | 1,394   | 72,347  | 64,272      | 2,123   | 66,395  |
| Department of Energy .....                        | 19,972      | 5,770   | 25,742  | 22,178      | 6,649   | 28,827  | 21,969      | 6,554   | 28,523  |
| Department of Health and Human Services .....     | 543,389     | 34,789  | 578,178   | 585,772     | 40,350  | 626,122   | 643,886     | 57,937  | 701,823   |
| Department of Homeland Security .....             | 26,537      | 7,351   | 33,888  | 33,259      | 8,790   | 42,049  | 33,284      | 11,044  | 44,328  |
| Department of Housing and Urban Development ..... | 45,019      | 2,596   | 47,615  | 42,614      | 1,699   | 44,313  | 40,185      | 1,385   | 41,570  |
| Department of the Interior .....                  | 8,914       | 4,654   | 13,568  | 9,433       | 6,726   | 16,159  | 9,812       | 6,401   | 16,213  |
| Department of Justice .....                       | 28,954      | 834   | 29,788  | 21,171      | 747   | 21,918  | 23,380      | 923   | 24,303  |
| Department of Labor .....                         | 56,706      | 2,291   | 58,997  | 50,034      | 4,063   | 54,097  | 51,713      | 7,548   | 59,261  |
| Department of State .....                         | 10,934      | 2,199   | 13,133  | 11,934      | 938   | 12,872  | 14,109      | 1,051   | 15,160  |
| Department of Transportation .....                | 54,547      | 440   | 54,987  | 58,215      | 316   | 58,531  | 60,585      | 176   | 60,761  |
| Department of the Treasury .....                  | 374,817     | 16,233  | 391,050   | 402,972     | 17,233  | 420,205   | 441,198     | 17,721  | 458,919   |
| Department of Veterans Affairs .....              | 59,554      | 6,110   | 65,664  | 68,046      | 5,280   | 73,326  | 68,281      | 4,769   | 73,050  |
| Corps of Engineers—Civil Works .....              | 4,838       | 1,257   | 6,095   | 4,891       | 1,001   | 5,892   | 4,643       | 1,215   | 5,858   |
| Other Defense Civil Programs .....                | 41,730      | 38  | 41,768  | 43,460      | 19  | 43,479  | 44,489      | 21  | 44,510  |

**Table 21-1. TOTAL OUTLAYS, NET AND GROSS OF OFFSETTING COLLECTIONS AND RECEIPTS FROM THE PUBLIC, BY AGENCY, 2004-2006—Continued**

(In millions of dollars)

| Department or Other Unit                            | 2004             |   |   | 2005             |   |   | 2006             |   |   |
|---|------------------|---|---|------------------|---|---|------------------|---|---|
|   | Net Outlays      | Offsetting Collections and Receipts from the Public | Outlays Gross of Collections and Receipts from the Public | Net Outlays      | Offsetting Collections and Receipts from the Public | Outlays Gross of Collections and Receipts from the Public | Net Outlays      | Offsetting Collections and Receipts from the Public | Outlays Gross of Collections and Receipts from the Public |
| Environmental Protection Agency .....               | 8,334            | 223   | 8,557   | 7,862            | 124   | 7,986   | 8,202            | 170   | 8,372   |
| Executive Office of the President .....             | 3,308            | .....   | 3,308   | 5,765            | .....   | 5,765   | 7,192            | .....   | 7,192   |
| General Services Administration .....               | -403             | 286   | -117  | 459              | 288   | 747   | 54               | 280   | 334   |
| International Assistance Programs .....             | 13,737           | 13,367  | 27,104  | 14,754           | 12,676  | 27,430  | 17,022           | 12,085  | 29,107  |
| National Aeronautics and Space Administration ..... | 15,189           | -19   | 15,170  | 15,719           | 119   | 15,838  | 15,744           | 79  | 15,823  |
| National Science Foundation .....                   | 5,118            | .....   | 5,118   | 5,641            | .....   | 5,641   | 5,666            | .....   | 5,666   |
| Office of Personnel Management .....                | 56,535           | 9,738   | 66,273  | 60,964           | 10,661  | 71,625  | 64,259           | 11,439  | 75,698  |
| Small Business Administration .....                 | 4,075            | 336   | 4,411   | 3,036            | 615   | 3,651   | 790              | 56  | 846   |
| Social Security Administration .....                | 530,205          | 6,879   | 537,084   | 559,048          | 7,072   | 566,120   | 583,492          | 7,394   | 590,886   |
| Export-Import Bank of the United States .....       | -1,903           | 2,640   | 737   | -376             | 1,271   | 895   | 183              | 271   | 454   |
| Federal Deposit Insurance Corporation .....         | -1,555           | 763   | -792  | 214              | 666   | 880   | -395             | 908   | 513   |
| Postal Service .....                                | -4,070           | 68,001  | 63,931  | -442             | 67,538  | 67,096  | 4,125            | 67,628  | 71,753  |
| Railroad Retirement Board .....                     | 2,569            | 3,005   | 5,574   | 4,079            | 1,825   | 5,904   | 4,967            | 1,223   | 6,190   |
| Other Independent Agencies .....                    | 10,863           | 20,498  | 31,361  | 16,196           | 11,868  | 28,064  | 13,727           | 12,359  | 26,086  |
| Allowances .....                                    | .....            | .....   | .....   | 34,899           | .....   | 34,899  | 24,168           | .....   | 24,168  |
| Undistributed Offsetting Receipts .....             | -212,526         | 5,106   | -207,420  | -228,428         | 5,986   | -222,442  | -241,291         | 7,231   | -234,060  |
| <b>Totals: .....</b>                                | <b>2,292,215</b> | <b>249,601</b>                                      | <b>2,541,816</b>  | <b>2,479,404</b> | <b>253,067</b>                                      | <b>2,732,471</b>  | <b>2,567,617</b> | <b>275,763</b>                                      | <b>2,843,380</b>  |